

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7579

BILL NUMBER: HB 1346

DATE PREPARED: Jan 6, 1999

BILL AMENDED:

SUBJECT: Motor vehicle manufacturers, distributors, and dealers.

FISCAL ANALYST: James Sperlik

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FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill revises the definition of "dealer" to include a person who sells at least five vehicles a year to the general public for delivery in Indiana. (Current law defines a "dealer" as a person who sells at least 12 vehicles a year.) It provides that a license to buy or sell motor vehicles may be denied, suspended, or revoked and a civil penalty of not more than \$1,000 may be imposed for the violation of rules adopted by the bureau of motor vehicles regarding the sale, titling, or registration of vehicles. The bill provides that a civil penalty of not more than \$15,000 may be imposed by a court for a violation of laws relating to vehicle manufacturers, distributors, and dealers. It allows the Bureau of Motor Vehicles and the Attorney General to recover costs and reasonable attorney's fees in a civil action brought relating to vehicle manufacturers, distributors, and dealers. The bill makes a technical correction to an internal reference.

Effective Date: July 1, 1999.

Explanation of State Expenditures: For the Bureau of Motor Vehicles and the Attorney General, there likely would be additional expenses incurred in any prosecution of the provisions of this proposal. The funds affected are the Motor Vehicle Highway Account which supports the Bureau of Motor Vehicles and the State General Fund which supports the Attorney General's office. The Bureau may recover the cost of suits, including reasonable attorney fees.

Explanation of State Revenues: The proposal allows for the imposition of civil penalties ranging from \$1,000 to \$15,000, depending upon the violation. Civil penalties are deposited into the State General Fund. The proposal also allows for the recovery of reasonable attorney's fees in a civil action brought relating to vehicle manufacturers, distributors, and dealers. These fees could offset the costs of prosecution of the civil actions brought under this proposal. The specific impact is indeterminable.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Bureau of Motor Vehicles; Attorney General.

Local Agencies Affected:

Information Sources: